


POSITION PAPER



Response to Eurosystem Consultation on Oversight Requirements for Systematically Important Payment Systems

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Issue	Comment	Reasoning
Recital 6	Comment	In order to progress towards a level playing field within the EU, either the Eurosystem or another authority should monitor and regularly publish a comparison of the implementation of the CPSS-IOSCO Principles for FMIs by those payment systems in the EU operating in another currency than the euro.
Recital 7	Clarification	That “requirements for payment systems operated by central banks reflect the different risk profiles and statutory responsibilities of the central banks” is noted. Yet in particular in the case of retail payment systems it is essential that requirements for central bank operators be well balanced with the requirements for achieving a level playing field with private operators.
Art. 2(34)	Amendment	The definition of “one-sided payment” is difficult to understand in the context of the euro which should be the scope for these oversight requirements. It requires redrafting.
Art. 3.1	Amendment	It should be rather for overseers and legislators to ensure that applicable law “provides a high degree of certainty for and support each material aspect of the activities” of SIPS. This paragraph could be deleted.
Art. 4.2	Amendment	A SIPS operator’s governance arrangements should be made available – upon their request - to indirect participants in that SIPS as well.
Art. 6.3	Amendment	It should be made clear that a SIPS may cover its credit exposure to participants through collateral, guarantee funds, equity, or /and equivalent financial resources.
Art. 10.1	Amendment	This Article should be aligned with CPSS-IOSCO Principle 9, which conditionally allows for the use of commercial bank money.
Art. 13.1	Amendment	A clear distinction should be made between losses that may result from the SIPS traditional operations, and losses that may result from strategic decisions. In this respect, the disposition requiring the SIPS to “identify, monitor

		and manage” i.a. “losses resulting from poor execution of business strategy” may not be conforming to business practices. Rather the requirement should be for a SIPS to formulate a “B” plan for every business strategy.
Art. 15.6	Amendment	A SIPS operator should identify critical participants also based on the number of indirect participants they service, and the value these non-direct participants’ transactions represent. This should allow overseers and supervisors to gain a better understanding as to the implications that an operational or other problem within one SIPS (or a direct participant in that SIPS) may have on (an)other SIPS.

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